AMERICAN CHAMBER OF COMMERCE IN UKRAINE

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The Honorable Carlos M. Gutierrez Secretary of Commerce U.S. Department of Commerce International Trade Administration Central Records Unit, Room 1870 14th and Constitution Avenue, N.W. Washington, D.C. 20230

Attn: Honorable Franklin L. Lavin Under Secretary for International Trade

Re: Comments on the Requests for Market Economy Status for Ukraine -- Initiation of a Changed Circumstances Review of the Antidumping Duty Order on Carbon and Certain Alloy Steel Wire Rod from Ukraine (Case No.: A-823-812)

Dear Secretary Gutierrez,

On behalf of the American Chamber of Commerce in Ukraine ("Chamber"), the most active non-governmental, non-profit business organization operating in Ukraine, we are submitting the following in response to the Notice published in the Federal Register on April 26th, 2005 inviting comments on Ukraine's non-market economy ("NME") status. Based on the experience of the American Chamber of Commerce in Ukraine and our Members, and for the reasons outlined below, the American Chamber of Commerce in Ukraine supports the revocation of Ukraine's NME status under section 771(18)(B) of the Tariff Act of 1930, as amended ("the Act").

Board of Directors: Andreas Rickmers, Cargill Enterprises, Inc. - Chairman; George Logush, Kraft Foods Ukraina - Vice Chairman; Kamen

Zahariev, European Bank for Reconstruction and Development - Vice Chairman; James Hitch, Baker & McKenzie - Treasurer; Klara Eiswirt, adidas-Ukraine SC - Secretary; Eric Franke, Ukrainian Mobile Communications; Marco Groen, Ernst & Young Ukraine LLC; Axel Hluchy, Metro Cash & Carry Ukraine Ltd.; Jose Carlos Gonzalez-Hurtado, Procter & Gamble Ukraine; Bohdan Kupych, Kvazar-Micro Corporation; Stuart McKenzie, Pulse Ltd.; Silviu Popovici, Coca Cola

 $Beverages\ Ukraine\ Ltd.; Myron\ Wasylyk, \textit{The}\ PBN\ Company; Sergey\ Yanchyshyn, \textit{Motorola}.$

Legal Advisor:

Adam Mycyk, Chadbourne & Parke, LLP

President: Jon

Jorge Zukoski

As background to qualify our comments we would like to point out that one of our principal activities is to represent the foreign investment community as well as to facilitate the entrance of potential new investors into this market. We advocate on behalf of our Members not only to the Ukrainian government, but also to all other governments, which are economic partners of Ukraine, on matters of trade, commerce, and economic reform. The over 500 Members of the Chamber, including many of the largest companies operating in Ukraine, represents a majority of the foreign direct investment into the country. Our Members collectively employ hundreds of thousands of Ukrainians, providing them with exposure to international business practices and the opportunity to develop into leading Ukrainian professionals. Our Members also bring international expertise and business knowledge to Ukraine, are among some of the largest taxpayers in Ukraine, and strive to be good corporate citizens. We also work very closely with the U.S. Chamber of Commerce, the world's largest business federation, which represents more than three million businesses and professional organizations of every size, sector, and region of the United States.

The American Chamber of Commerce in Ukraine has been active in the market since Ukraine's independence following the breakup of the former Soviet Union and has, therefore, been in a unique position to witness and participate in the economic development of Ukraine. We are in constant communication with internationally oriented businesses, NGOs, senior Ukrainian officials as well as the diplomatic and donor communities.

Recent experience clearly indicates that Ukraine's transition fully warrants revocation of the classification of Ukraine as a non-market economy. The current level of foreign investment in Ukraine as well as the robust economic indicators over the last several years speak clearly for the improved business environment in the country. Private sector plays a primary role in the economy, and entrepreneurs enjoy a great deal of economic freedom. The Chamber also takes seriously and is supporting Ukraine's desire to enter the World Trade Organization and become more fully integrated into the Euro-Atlantic community.

Recognizing Ukraine as a market economy, especially after the latest reaffirmations of Ukraine's commitment to democracy, will acknowledge the above facts and encourage Ukraine to continue its course of challenging economic reforms. It will also remove any confusion regarding American economic policy and strengthen the acceptance of international business practices during this important transitional time.

Please do not hesitate to contact me directly should you have any questions.

Respectfully Submitted,

Jorge Zukoski

President